

THE WHITE HOUSE
WASHINGTON

July 20, 1961

MEMORANDUM FOR HEADS OF DEPARTMENTS AND AGENCIES
SUBJECT: STANDARDS OF CONDUCT FOR CIVILIAN EMPLOYEES

In section 6 of Executive Order 10939, dated May 5, 1961, the President directed that "Each department and agency head shall review or issue internal directives appropriate to his department or agency to assure the maintenance of high ethical and moral standards therein."

Attached for your guidance in the establishment of such internal instructions is a statement of minimum standards of conduct for civilian employees which was prepared by the Civil Service Commission with the assistance of departmental representatives. As indicated in Part VI of the statement, these standards will have to be supplemented to meet special problems peculiar to the responsibilities of individual agencies. These provisions apply to all civilian employees of the federal government and may be applied by each department to the extent applicable to part-time and intermittent employees, such as consultants. Presidential appointees are also subject to the foregoing Executive Order.

As soon as your internal directives are reviewed and reissued this office should be supplied with two copies.

Each department and agency head will be responsible to bring the proper minimum standards of conduct to the attention of all of its employees as soon as such standards are issued, and at least semi-annually thereafter. New employees shall be informed of these standards at the time of their employment.

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MINIMUM STANDARDS OF CONDUCT

I. INTRODUCTION

The maintenance of high moral and ethical standards in the public service is essential both to efficiency in the conduct of Government business and to assuring the confidence of the public in their Government. Unwavering integrity and standards of behavior that reflect credit on the Government are required of all members of the public service.

Agencies should include in the standards of conduct which they are to provide for their employees:

- a. A list of the important laws and rules on employee conduct pertinent to employees of the agency.
- b. Information to employees as to how and from whom they may get additional clarification of standards of conduct and related laws, rules, and regulations.
- c. Assurance that appropriate disciplinary action will be taken when employees violate laws, rules, or regulations on conduct.

II. CONFLICTS OF INTEREST

The elimination of conflicts of interest in the Federal service is one of the most important objectives in establishing general standards of conduct. A conflict of interest situation may be defined as one in which a Federal employee's private interest, usually of an economic nature, conflicts or raises a reasonable question of conflict with his public duties and responsibilities. The potential conflict is of concern whether it is real or only apparent.

It is essential that consideration be given to two key objectives: (1) ethical standards of the Federal government must be beyond reproach; (2) the Federal government must be in a position to obtain the high quality personnel needed for effective, representative government in the modern age.

There are a number of statutes which deal with conflict of interest in Federal employment. Generally, these statutes:

- a. Prohibit officials from assisting outsiders in the prosecution of claims against the United States.
- b. Forbid employees to assist others for pay in any matter which is before a forum of the executive branch and in which the United States is interested.

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- c. Restrict certain post-employment activities involving prosecution of claims against the U. S.
- d. Require officials to disqualify themselves from acting in government matters in which they have a conflicting interest.
- e. Prohibit outside pay for government work.

In addition to these statutory restrictions, the following general standards on conflicts of interest seem desirable:

1. Outside employment

Employees may not engage in any outside employment, including teaching, lecturing, or writing, which might reasonably result in a conflict of interest, or an apparent conflict of interest, between the private interest of the employee and his official government duties and responsibilities.

2. Gifts

No employee may solicit or accept, directly or indirectly, any thing of economic value as a gift, gratuity, or favor, which might reasonably be interpreted by others as being of such nature that it could affect his impartiality, from any person, corporation, or group, if the employee has reason to believe that the person, corporation or group --

- (a) has or is seeking to obtain contractual or other business or financial relationships with the employee's agency; or
- (b) conducts operations or activities which are regulated by the employee's agency; or
- (c) has interests which may be substantially affected by such employee's performance or non-performance of his official duty; or
- (d) is in any way attempting to affect the employees official actions.

3. Financial interests

Employees may not (a) have direct or indirect financial interests that conflict substantially, or appear to conflict substantially, with their responsibilities and duties as Federal employees, or (b) engage in, directly or indirectly, financial transactions as a result of, or primarily relying upon, information obtained through their employment. Aside from these restrictions, employees are free to engage in lawful financial transactions to the same extent as private citizens. Agencies may, however, further restrict such transactions in the light of the special circumstances of their individual missions.

III. OUTSIDE EMPLOYMENT

In the absence of a condition distinguishing public service from private employment pertinent to the particular case, Federal employees are entitled to the same rights and privileges as all other citizens. There is, therefore, no general prohibition against Federal employees holding outside jobs if they wish to, or if they feel the economic need for doing so.

However, it is important that:

- a. The employee's performance on his government job not be adversely affected by the outside work.
- b. The employee's outside employment not reflect discredit on the Government or on his agency.

(The question of conflict of interest in outside employment has been dealt with in an earlier section of this issuance.)

The following general standards on outside employment should apply.

1. General

Employees may engage in private outside employment, with or without compensation, provided that such employment does not, in the opinion of the agency head concerned: (a) interfere with the efficient performance of the employee's Government duties, or (b) bring discredit upon, or cause unfavorable and reasonable criticism of, the Government or the agency concerned. Where special circumstances exist, agency heads may place additional restrictions on outside employment.

2. Teaching, writing, and lecturing

Teaching, writing and lecturing by Federal employees are generally to be encouraged so long as the laws, general standards, and agency regulations pertaining to conflicts of interest and the standards and regulations applying to outside employment are observed. These activities frequently serve to enhance the employee's value to the Government as well as to increase the spread of knowledge and information in our society. However, such activities must not be dependent on information obtained as a result of the employee's official government position if such information is not available to others at least on request.

This provision does not, of course, prevent the head of the agency from authorizing an employee to base his writings or lectures on non-public materials in the agency files (not involving national security) when this will be done in the public interest.

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IV. EMPLOYEE CONDUCT ON THE JOB

The manner in which an employee conducts himself on the job is frequently relevant to the proper, economical, and efficient accomplishment of his official duties and responsibilities. In addition, those employees who are in direct contact with the public play a most significant role in determining the public's attitude toward the Federal service, both by the manner in which they serve the public and the way in which they conduct themselves generally in the view of the public.

The following standards seem generally appropriate:

1. General Standard of Conduct on the Job

Federal employees must conduct themselves in such a manner that the work of the agency is effectively accomplished and must also observe the requirements of courtesy, consideration, and promptness in dealing with or serving the public or the clientele of their agency.

2. Use of Federal Property

Employees may not use Federal property of any kind for other than officially approved activities. They also have a positive responsibility to protect and conserve all Federal property, including equipment and supplies, which is entrusted or issued to them.

V. OTHER STANDARDS OF CONDUCT

In addition to the major topics covered above, the following standards should be observed in certain special areas:

1. Protection of Information

Employees may not disclose official information without either appropriate general or specific authority under agency regulations.

2. Misuse of Information

Employees may not, directly or indirectly, make use of, or permit others to make use of, official information not made available to the general public, for the purpose of furthering a private interest.

3. Indebtedness

Employees are expected to meet all just financial obligations.

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VI. ADDITIONAL DIRECTIVES

In addition to the foregoing standards, Presidential appointees are subject to E.O. 10939 dated May 5, 1961.

Further, individual Departments and Agencies will supplement the foregoing standards for all civilian employees and the special standards for Presidential appointees with specific standards of special applicability within that particular agency because of its functions and activities.